

Hedley May DE&I Advisory Council session

August 3rd, 2023

On August 3rd, 2023, Hedley May was delighted to welcome the members of its Advisory Council – [Liz Bingham](#), [Tunde Banjoke](#) and [Asif Sadiq](#) - to discuss their thoughts on the DE&I agenda in the corporate world. This was a final session after the council had graciously provided us with three fantastic years of service and expertise.

A passionate and deeply personal discussion underlined how much progress still needs to be made, but also contained notes of optimism for the future and strong messages about what makes an effective leader. Here, we discuss four key themes that emerged from our conversation:

The DE&I conversation has regressed, due to a backlash and complacency.

Participants in our discussion expressed concerns that some of the progress that has been made in the DE&I conversation since the momentum of the Black Lives Matter movement has more recently been reversed – evidenced, for example, by legislative proposals in the US and lawsuits against perceived reverse discrimination.

One reason is a backlash from people who see the diversity agenda as a threat to them, bringing risks but no benefits. As one of our participants said: “People have felt threatened, as if they only have something to lose and nothing to gain. This sentiment has been built upon by those who want to maintain the status quo”.

There was also a sense that some companies are resting on past DE&I initiatives to proclaim: ‘job done’, perceiving that diversity no longer needs to be prioritised, because it had already been ‘achieved’ within the organisation. Among other things, this complacency can lead to the alienation of diverse employees who are celebrated by leadership in sporadic “feel-good moments”, but do not see a more fundamental change in their firms’ day-to-day culture.

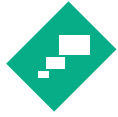
“Some of the systems and processes were not built within organisations to really make diversity stick. It was too often a box ticking exercise that was bound to get undone at some point because it wasn’t put in the right way.”

Companies need to focus on the *why* of diversity.

A recurring theme in our discussion was that the DE&I agenda will not succeed if diversity is merely seen as “nice to have”, rather than a business priority. This is particularly important when economic conditions are challenging, as they are now. In the words of one participant: “The first thing that gets dropped when companies tend to have a difficult financial time is diversity – especially if they feel it’s losing them money in the short term”.

DE&I risks being relegated to a secondary consideration so long as the chief argument for its advancement is the moral social justice case (important as fairness undoubtedly is). The ‘why’ of advancing the cause of diversity must primarily be that it is crucial for ongoing business success – in the same way that, for example, investing in excellent technology infrastructure is seen as a business priority, whatever the wider economic challenges.

“Diversity needs to be integrated into the business in the same way as your IT strategy or your financial discipline would be. It needs to touch every business process and be properly embedded, rather than being something on the side that sits with HR which companies don’t have to be concerned about day-to-day.”



Making the business case for diversity in language that leaders understand

Our Council emphasised that the argument that diversity is good for business should not just be made in abstract terms – it needs to be articulated in business language understood by leaders. For example, that a failure to rise to diversity targets will be challenged by shareholders increasingly focused on DE&I – and could negatively affect share prices – as well as inhibiting the ability of firms to meet regulatory reporting requirements.

It is particularly important to make the business case for hiring for potential rather than just for experience, the Council agreed. Especially in challenging times of change, hiring teams tend to revert to what they know – which frequently means hiring non-diverse candidates that have done the job before and are perceived to be a safe pair of hands, providing reassurance in difficult circumstances.

But the markets and systems in which business operate may be fundamentally different today to how they were in the past, and what was perceived to have worked before will not necessarily work now. Companies are often hiring “for what they think they need rather than what they truly need” – which may be fresh thinking fostered by diverse candidates with non-traditional experiences and backgrounds. As a participant in our discussion put it: “We need to be imaginative and creative so we can bring diverse leaders through, because if they’re operating at their full potential, they add value to our business and our leadership”.

One participant emphasised that recruiters play an important role as a trusted “broker” between candidates and employer – elevating the confidence of both parties to think unconventionally, and for organisations to take a risk on someone different from their usual hire.

“When we say that diversity is good for business, what exactly does that mean? The language we use is important – the way we challenge those leaders who now feel that diversity isn’t necessarily as important. How do we go back to them and speak their language to tell them that actually, it is?”

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Focusing on ‘calling in’ rather than ‘calling out’

To move the diversity agenda forward, individuals in businesses should be equipped with the “confidence, skills and vocabulary” to demand something different. This especially includes those at more junior levels: there needs to be pressure from the bottom of organisations as well as from the top. But we can’t expect juniors to automatically have that confidence to ‘call out’ bad behaviour where they see it – organisations need to encourage their employees not to be bystanders, in the knowledge that what they raise will be heard and acknowledged.

At the same time, as one of our participants put it, “more often you can call people in than call them out”. We can disagree in a workplace environment and have different opinions, so long as it’s in a respectful way and we appreciate each other’s differences. At the heart of inclusive leadership is creating an environment where people can “agreeably disagree” and raise different points of view without being shot down”. This will, in fact, lead to better business outcomes because it challenges groupthink.

Our Council members agreed on the importance of conveying that a more inclusive workplace makes for a better workplace for everybody – it is not a zero-sum game. We also agreed that it is vital to not pit groups against each other, and we need to continue to embed social mobility into the diversity discussion. In doing so, we can help those who perceive it as a threat to feel much more involved and engaged.

“Bringing people together will be critical in the DE&I space in the future. We should talk about how we capture the multiple layers of diversity. Everyone needs to be part of that solution, and we must not isolate one group versus another.”

Leadership Inspired

We seek out world-class executives who create lasting change and leaders who will make a world of difference. Deep market knowledge, bespoke processes and innovative thinking enable us to find extraordinary leaders across the globe.

Over 61% of all of Hedley May placements in the last four years have been diverse. We recognise the importance of diversity and its impact upon the long-term and sustainable success to organisations.